

Governor Napolitano signs SB1232 on May 20th

Yesterday, Governor Janet Napolitano signed SB1232 into law. The bill was supported by the Arizona Department of Real Estate because it reduces unnecessary regulation and allows the Department to focus more resources on practitioners who harm Arizona.

The bill focuses on two areas:

1. Business Broker designation repeal
2. Protecting licensee's personal information

Business Broker Designation Repeal

Effective date: 90 days after the end of the legislation session.

Provisions: Removes the business broker designation and requirements from statute. A licensee who currently holds the designation will keep the designation through the licensing period. The licensee will not be able to renew the designation.

Even though the designation is repealed through this bill, statute still requires most business brokers to hold a real estate license. On April 4, 2008, Commissioner Wercinski signed a substantive policy statement (2008-04) which clarifies when a business broker must have a real estate license. A Business Broker must have a real estate license if either of the following apply:

1. The transaction directly involves the sale or lease of real property.
2. A real property sale or lease is part of, contingent on, or ancillary to the transaction

Protecting Licensee's Personal Information

Effective date: January 1, 2008 (retroactive)

Provisions: This bill provides the Department of Real Estate with the authority to keep licensee's personal information private unless the information is needed for a legitimate court or governmental purpose. This includes:

1. A licensee's residential address and residential telephone number
2. A licensee's email address

The provisions of this bill include inactive licensees.